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SENATE JOINT MEMORIAL 8026

State of Washington 57th Legislature

2002 Regular Session

By Senators Fraser, Honeyford and Regala

Read first time 01/15/2002. Referred to Committee on Environment, Energy & Water.

- 1 TO THE HONORABLE GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES,
- 2 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
- 3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE
- 4 UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE HONORABLE SPENCER
- 5 ABRAHAM, SECRETARY OF THE UNITED STATES DEPARTMENT OF ENERGY:
- 6 We, your Memorialists, the Senate and House of Representatives of
- 7 the State of Washington, in legislative session assembled, respectfully
- 8 represent and petition as follows:
- 9 WHEREAS, The Bonneville Power Administration owns and operates over
- 10 fifteen thousand circuit miles of transmission lines in the Pacific
- 11 Northwest, constituting more than three-fourths of the high-voltage
- 12 transmission grid in the region; and
- 13 WHEREAS, The Bonneville Power Administration operates its
- 14 transmission system to meet its public responsibility of ensuring
- 15 transmission access to independent power producers and other wholesale
- 16 electricity providers in order to provide the region with a reliable
- 17 and competitive wholesale electricity market; and
- 18 WHEREAS, The Bonneville Power Administration and other northwest
- 19 transmission owners currently have limitations on their ability to move
- 20 power from where it is produced to where it is needed, leaving the

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- 1 region potentially vulnerable to the same sort of transmission problems
- 2 that have afflicted California; and
- 3 WHEREAS, The Bonneville Power Administration has significant
- 4 limitations on its ability to move power from eastern Montana to the
- 5 Seattle area, from the John Day Dam area on the Columbia River to
- 6 Seattle, and from the McNary Dam area on the Columbia River to
- 7 Portland; and
- 8 WHEREAS, In response to last year's energy crisis, a tremendous
- 9 amount of new electricity generation is in various stages of planning,
- 10 permitting, and construction for the northwest, which will place
- 11 additional demands on the region's transmission system; and
- 12 WHEREAS, In many cases, integration of new generation will require
- 13 the Bonneville Power Administration to undertake major work to install
- 14 new equipment, such as circuit breakers, and to reinforce existing
- 15 transmission lines to carry the new power; and
- 16 WHEREAS, On a more fundamental level, the existing transmission
- 17 system is at or near its limit in what it can carry, which threatens
- 18 the Bonneville Power Administration's ability to keep the lights on;
- 19 and
- 20 WHEREAS, Wholesale power deregulation, beginning in 1992, has
- 21 resulted in rapid increases in the use of the region's transmission
- 22 system and also reduced investments in it; and
- 23 WHEREAS, In response to wholesale power deregulation, the
- 24 Bonneville Power Administration was under pressure to cut costs,
- 25 resulting in reducing its staff by over one thousand people and using
- 26 new control systems and capacitors to squeeze more performance out of
- 27 the existing transmission system rather than stringing new lines; and
- 28 WHEREAS, Today, nearly all of the margin has been squeezed out of
- 29 the system, making it increasingly difficult to schedule maintenance
- 30 activities and ensure system reliability; and
- 31 WHEREAS, Through its planning process, the Bonneville Power
- 32 Administration's Transmission Business Line had included \$1.3 billion
- 33 in its estimated capital budget for fiscal years 2002 through 2006,
- 34 which would cover the basics of replacing some aging transmission
- 35 facilities, reinforcing connections to existing customers, and
- 36 interconnecting with some new generation; and
- 37 WHEREAS, This estimate was made before the explosion of proposals
- 38 for new generation came on the scene last winter, and it now estimates
- 39 it will need even more money to remove constrained paths, cope with new

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- 1 demands for power, and integrate the new generation that will be built 2 over the next few years; and
- WHEREAS, The cost of the additional money the Bonneville Power Administration needs to construct the new transmission projects will be self-sustaining, paid for in part by developers of the new power projects and in part by revenues expected from the increased use of transmission resulting from the new generation being built; and
- 8 WHEREAS, The region simply cannot wait several more years until the 9 new Regional Transmission Organization, RTO West, is fully functioning 10 in its new role as the planner and builder of new transmission; and
- 11 WHEREAS, The Governors of twelve western states affected by the 12 Bonneville Power Administration have universally supported its request 13 for new borrowing authority to enable that federal agency to build 14 transmission to reinforce its system; and
- 15 WHEREAS, The Governors in the Western Interconnection are currently
 16 developing a plan to streamline and coordinate interstate transmission
 17 siting and have signed a Memorandum of Understanding with five federal
 18 agencies to create a framework for these agencies to cooperate with
 19 states in the review of any proposed transmission lines; and
- 20 WHEREAS, The major challenges in siting long distance transmission 21 lines in the west have typically involved crossing federal lands;
- NOW, THEREFORE, Your Memorialists respectfully pray that Congress and the President approve an additional \$2 billion in Federal Treasury borrowing authority needed by the Bonneville Power Administration for capital improvements to the Federal Columbia River Power System, principally for the purpose of making critical transmission infrastructure investments.
- BE IT RESOLVED, That Congress should require the Federal Energy Regulatory Commission to defer to state and regional interstate transmission siting processes and to not preempt state authority in this area; and
- BE IT RESOLVED, That copies of this Memorial be immediately transmitted to the Honorable George W. Bush, President of the United States, the Honorable Spencer Abraham, Secretary of the United States Department of Energy, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.

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